



Morning Wealth

BP WEALTH

Friday, 18th August, 2017

Nifty Futures	Level 1	Level 2	Level 3
Resistance	9930	9990	10020
Support	9880	9810	9770

Indices (NSE)	Close	Pts. Chg	% Chg
Nifty	9,904.2	6.9	0.1
Nifty Future (Aug)	9,909.5	4.5	0.0
Nifty Future (Sep)	9,939.0	1.4	0.0
Bank Nifty	24,237.3	-200.5	-0.8
CNX100	10,255.0	5.0	0.0
CNX500	8,643.3	7.6	0.1
CNX Midcap	18,125.8	37.1	0.2

Indices (BSE)	Close	Pts. Chg	% Chg
Sensex	31,795.5	24.6	0.1
BSE-100	10,276.5	3.3	0.0
BSE-200	4,313.3	1.2	0.0
BSE-500	13,671.5	11.4	0.1
Mid Cap	15,228.5	-53.8	-0.4
Small Cap	15,694.5	82.9	0.5

Sectoral Indices	Close	Pts. Chg	% Chg
BANKEX	27,377.8	-195.1	-0.7
CAPITAL GOODS	17,247.3	-8.1	-0.0
REALTY	2,109.6	14.8	0.7
POWER	2,294.6	19.5	0.8
OIL & GAS	14,659.9	44.5	0.3
METAL	13,036.4	104.4	0.8
CD	17,661.8	38.5	0.2
AUTO	23,814.2	-172.9	-0.7
TECK	5,876.4	103.4	1.8
IT	10,451.1	188.7	1.8
FMCG	10,000.4	-29.4	-0.3
HEALTHCARE	13,147.9	-66.9	-0.5
VIX	14.3	0.1	0.7

Exchange	Advance	Decline	Unchg
BSE	1,387	1,182	131
NSE	919	724	96

Volume	Rs (in cr)	% Chg
NSE Cash	24,336.4	-7
BSE Cash	3,325.0	-27
NSE F&O	1,147,206.5	35

Net Inflows/Outflows (Rs in cr)	Buy	Sell	Net
FII	3,453.3	4,434.4	-981.1
DII	2,764.9	1,936.6	828.6

Intraday Nifty Outlook

Index opened gap up but failed to sustain the gains and closed flat. Index earlier has formed Morning Doji star a bullish reversal candlestick pattern which suggests recent trough to act as strong support and index can see a pullback. Index has reversed after taking support at lower trend line of the broadening wedge wedge which is a bullish signal for short term trend. RSI has formed positive reversal with price which is a bullish signal and compliments the bullish view of price. Going ahead index post gap down opening index has immediate support at 9850, a failure to sustain below this level can bring a pause while resistance comes at 9930.

Corporate News

Tata Global to take hard look at unprofitable markets

Tata Global Beverages Ltd (TGBL) is looking to “re-evaluate and rationalise” its unprofitable businesses. The move comes after the company exited two unprofitable ventures – its consumer tea business in Russia and the B2B tea business in China. According to Ajoy K Misra, Managing Director and CEO, the company will take a “close hard look” at its businesses in Poland and Czech Republic in eastern Europe. “As a part of our strategy, we constantly re-look our businesses with a view to rationalise it,” Misra told reporters. He, however, did not clearly mention whether the company will exit Poland and Czech Republic, if losses continue. In fact, TGBL’s businesses in the “mature European markets” have been facing challenge with consumption not growing and margins coming under pressure. The company’s Poland business (Tata Global Beverages Polska) has been in losses for quite some time now. Poland is the second largest tea market in eastern Europe after Russia. The Polish subsidiary as per the company’s annual reports have been in red for FY-17 reporting a net loss of ₹8 crore. (Source: Business Line)

Raymond Group takes control of brand Kamasutra; Buys out Australian partner's stake in JV

Raymond Group has acquired control of brand KamaSutra globally by buying out Ansell’s stake in a joint venture entity known as JK Ansell Pvt. Ltd. Ansell is an Australian company which had 50 per cent stake in the joint venture company. Raymond Group already owned the balance stake. Under the new deal the Sexual Wellness and Personal care business will be bought out by Raymond for Rs. 19.3 crore. This will continue to remain in JK Ansell which will become a wholly owned subsidiary of J.K. Investo Trade (India) Limited, a Raymond Group Company. The gloves business will be sold for Rs.11.3 crore to Pacific Dunlop Holdings (Singapore) Pte. Ltd., which is an Ansell Group Company. This acquisition will pave the way for Raymond to further scale up the FMCG Business and unlock the immense potential of brand KamaSutra globally. Raymond announced the formation of its FMCG group last year. Gautam Hari Singhania, Chairman & Managing Director, Raymond Limited said, “As a part of our Raymond Re-Imagined journey, scaling up and creating a strong FMCG business is an important driver of value creation for the group. This acquisition of Ansell’s 50 per cent stake gives us the full ownership of Brand KamaSutra that strengthens our FMCG portfolio and is a step towards value creation.” (Source: Business Line)

Srei Infrastructure arm to hit capital markets to raise ₹1,800-2,000 crore

Srei Equipment Finance (SEFL), a wholly-owned subsidiary of Kolkata-based Srei Infrastructure Finance, has announced plans for diluting up to 25 per cent of its equity capital through an initial public offering. The SEFL board, at its meeting on Thursday, decided to constitute an IPO committee to take all decisions relating to the IPO, including appointment of advisors, investment bankers and legal counsels. The IPO could hit the market by the end of this financial year; it plans to raise ₹1,800-2,000 crore. According to Hemant Kanoria, Chairman & Managing Director, Srei, the exact proportion between OFS and fresh issue would be decided later, but it would be within 25 per cent. “We hope to hit the market by February or March this fiscal,” he said. The IPO proceeds would be utilised to fund its equipment finance business, which has been growing at 20-22 per cent on a year-on-year basis. The company holds roughly 35 per cent market share in equipment finance business. (Source: Business Line)

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Nifty Top 5 Gainers	Close	Pts. Chg	% Chg
INFY	1,020.9	45.7	4.7
NTPC	176.8	6.7	3.9
COALINDIA	247.0	9.0	3.8
VEDL	304.8	7.6	2.6
BHARTIARTL	416.4	8.6	2.1

Nifty Top 5 Losers	Close	Pts. Chg	% Chg
CIPLA	573.2	-17.3	-2.9
ADANIPORTS	389.3	-8.3	-2.1
ACC	1,780.1	-31.1	-1.7
MARUTI	7,582.5	-118.7	-1.5
AUROPHARMA	703.5	-10.4	-1.5

Int. Indices	Close	Pts. Chg	% Chg
S&P 500	2,430.0	-38.1	-1.6
DOW	21,750.7	-274.1	-1.3
NASDAQ	6,221.9	-123.2	-2.0
FTSE	7,387.9	-45.2	-0.6
DAX	12,203.5	-60.4	-0.5
CAC	5,146.9	-29.8	-0.6
NIKKEI	19,490.3	-212.3	-1.1
Hangseng	27,054.6	-289.7	-1.1
Straits Times	3,250.7	-18.1	-0.6

ADR	Close	Pts. Chg	% Chg
HDFC Bank	94.2	-1.9	-2.0
ICICI Bank	9.0	-0.3	-2.7
Infosys	15.9	0.3	1.8
TATA Motors	29.4	-0.6	-2.0
Wipro	6.0	-0.1	-2.1

Currencies	Close	Pts. Chg	% Chg
Dollar Index	93.6	0.0	0.0
USD/INR	64.2	0.0	0.0
EURO/INR	75.1	-0.6	-0.7
USD/YEN	109.5	-0.3	-0.3

Commodities	Close	Pts. Chg	% Chg
Gold (spot) Rs	29,151.0	199.0	0.7
Silver (spot) Rs	39,098.0	235.0	0.6
Crude (Brent) \$	50.9	-0.1	-0.2
Crude Oil (WTI) \$	47.0	-0.1	-0.2

Economy

Lower production costs help upstream oil, gas companies tide over depressed crude prices

Despite crude oil and natural gas prices remaining range bound, technological enhancements and lower production costs have come to the rescue of upstream oil and gas companies, according to industry players and analysts. The changed nature and composition of upstream oil and gas operators have also brought down the cost of production, according to domestic companies. Managing Director and CEO of Petronet LNG, Prabhat Singh said, "After the shale revolution, there are people who are ready to produce at operating profit only. And there are smaller players who are drilling in their backyard on shoe string budgets, utilising the unutilised rigs in their garages so everything has become very low cost now. And therefore a molecule that used to cost x dollars for production has become as cheap as 0.1 x. So the price of gas to rise is actually a very tough now." The depressed price of hydrocarbons has led to reduced domestic production costs too. Managing Director at Hindustan Oil Exploration Company, P Elango told *BusinessLine*, "The rate at which service providers offer the rig at \$100 per barrel of crude oil is very different from the price they will offer the rigs at \$50 per barrel...Now the volatility is over and the price of crude is settling at \$50-60 per barrel and the industry is bracing itself for it." Giving his company's example, Elango said, "When we started the Assam project, the gas price was above \$5 per mmbtu. By the time production starts, it is likely to come down to \$2.48 per mmbtu. "But my operating cost is just 60 cent per mmbtu, so I would still make money. This is because the production costs are also decreasing and companies can protect their margins." (Source: Business line)

International News

Asia Stocks Drop on Spain Attack, Trump Turmoil

Asian stocks extended a global slide after terrorists struck a crowded tourist street in Barcelona, exacerbating unease triggered by mounting concerns about dysfunction in President Donald Trump's administration and U.S. policy paralysis. Equities fell from Tokyo to Sydney after the S&P 500 Index on Thursday tumbled 1.5 percent, its second-biggest drop for 2017. Volatility in Japan, South Korea and Hong Kong increased after a measure of market fluctuations spiked higher during U.S. trading, while Australian bonds rose with the yen as investors sought havens. U.S. stocks declined amid concerns Trump's stimulus plans are in increasing peril and amid heightened terror fears after at least 13 people died when a van plowed into pedestrians in Barcelona. Speculation surfaced at one point that Gary Cohn, the former Goldman Sachs Group Inc. president who's Trump's top economic adviser and has been a figure of assurance to investors in an unorthodox White House, might resign. Markets were calmed temporarily on reports that Cohn, who has been leading efforts on tax reform, would stay. It's been a tumultuous week for the administration, with Trump disbanding two advisory councils staffed by chief executive officers and slamming Republican members of Congress who were critical of his polarizing remarks following violence in Virginia. Meanwhile, the terror news was a reminder that geopolitical risks remain a threat, with nerves still raw after last week's escalation of tensions on the Korean peninsula. (Source: Bloomberg)

Major Bulk Deal (NSE)

Scrip Name	Qty	Type	Client Name	Trade Price
No Major Bulk Deals				

Major Bulk Deal (BSE)

Scrip Name	Qty	Type	Client Name	Trade Price
No Major Bulk Deals				

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EVENTS CALENDAR

Monday	Tuesday	Wednesday	Thursday	Friday
14-Aug-2017 Results— Apollo Hospitals, INDAG Rubber, MTNL, NESCO Economic Indicators— Inflation Rate US—	15-Aug-2017 Results – Economic Indicators – US—	16-Aug-2017 Results - Economic Indicators— US—	17-Aug-2017 Results — Dish TV, Somany Ceramics Economic Indicators- US— Jobless Claims	18-Aug-2017 Results— Economic Indicators— Bank loan growth US—
21-Aug-2017 Results— Economic Indicators— US—	22-Aug-2017 Results – Economic Indicators – US—	23-Aug-2017 Results - Economic Indicators— US—	24-Aug-2017 Results — Economic Indicators- US— Jobless Claims, Existing sales	25-Aug-2017 Results— Economic Indicators— Forex Results US—
28-Aug-2017 Results— Economic Indicators— US—	29-Aug-2017 Results – Economic Indicators – US— Consumer confidence	30-Aug-2017 Results - Economic Indicators— US—	31-Aug-2017 Results — Economic Indicators- US— Jobless Claims	1-Sept-2017 Results— Economic Indicators— Nikkie PMI US—

Green: Corporate Event, Red: Economic Events, Dark Blue: US Events/ UK Events

(Source: Bloomberg and BSE)



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